THE WEEK THAT JUST WAS

VOL. 1. NO. 7. (to December 13, 1998).

BB=Bilderberger CFR=Council on Foreign Relations M=Mason RS=Rhodes Scholar TC=Trilateralist

GEORGE W. BUSH MAY FACE YALE CHRISTIAN CONSERVATIVE OPPONENT

A presidential poll (CNN Inside Politics Dec. 7) showed George Walker Bush (S&B 1968) with 58% of the vote compared to 38% for Democrat Bill Bradley. U.S. Senator John Ashcroft, (R-Missouri) a staunch Christian conservative, may be the first Republican to enter the 2000 presidential race (Reuters Dec. 8). Ashcroft, who is a 1964 Yale graduate, was once rated by *Fortune Magazine* as one of the nation's top ten education governors. He stated on August 26th that he wants an America "where we pay off our debts and keep our word.." He favors ending the unfair tax penalty on marriage, a reduction of taxes and a new tax code with a 10 percent rate for most Americans. In September he introduced the Equal Access Improvement Act to prevent the denial of access to school facilities for student prayer groups. He questioned, in April 1997, granting most favored nation (MFN) status as well as entrance into the World Trade Organization for Communist China. He has said on the subject of sovereignty: "America ought not surrender her way of life to a bunch of faceless functionaires at the United Nations." Political experts are saying that a minimum of $20 million will be needed for a viable campaign.

A column by John Young, writer for the the *Waco Tribune-Herald*, suggested that Bush stay away from "ill-chosen" comments on his religion (Austin American-Statesman Dec. 10). He advised Bush: "Should he run for president and be asked to clarify his beliefs on heaven and hell for the benefit of the Christian Coalition, he should suggest that it polish up on its Yiddish." Bush press secretary Karen Hughes has said: "Judgments about heaven and hell do not belong to the realm of politics or of this world. They belong to a higher authority."

The Skull and Bones story is for the moment largely unknown. At one time Hoover scholar Antony C. Sutton was hot on the trail of Skull and Bones. He wrote *America's Secret Establishment* that was published in 1986. Repeatedly he said that in his future books he would dig further into various subjects--including the Bavarian Illuminati. For still unknown reasons, the trail went totally cold. Sutton went on to other subjects.

WHO SILENCED DAVID ARMSTRONG?

Real politics is largely played behind the scenes where the general public cannot see. The average citizen is heavily dependent on reporters who are believed to be paid by their courageous publishers to dig deep. In Texas, the populist *Texas Observer* is the most outstanding, hard-hitting regular magazine that can be relied upon to take on Republicans. It hired an outstanding research journalist named David Armstrong as editor. His name first appeared on the masthead on March 22, 1991. A story about new kids on the block proudly gave a resume for the new editor. In a matter of months, after writing several articles digging very deeply into the Bush family, he was suddenly dropped from the masthead without explanation.

On April 5, 1991, Armstrong contributed an article entitled: "The Great S&L Robbery: Spookbuster Pete Brewton Tells All," p. 1 Texas Observer, July 12, 1991 (12-5). July 26, 1991--- Article by Armstrong: "Oil in the Family." On September 20, 1991 still another article was titled:

"Global Entanglements." It had a cartoon of future governor Bush with Harken on his head and CIA agents (spies) all around him. There was a front page octopus cartoon.

The last masthead appearance of David Armstrong was November 29, 1991. His article was titled: "Pre-emptive Journalism." He began with a quote by Herbert Shiller: "One especially effective and longstanding means of keeping the social order undisturbed is to undermine criticism before it had an opportunity to emerge and circulate in the national arena." Armstrong deplored this trend towards pre-emptive journalism: "Mainstream media have never demonstrated a keen interest in challenging the status quo. Contrary to the popular image of an independent and adversarial press, U.S. corporate media are, in fact, little more than lackeys for elite interests." Armstrong blasted criticism of Stone's JFK movie prior to the scenes even being shot. Armstrong also noted the discrediting of a former Carter National Security Advisor's book. Newsweek had called Gary Sick's book "a conspiracy theory run wild." Armstrong criticised Time's Harken coverage as "half-measures."

His last Texas Observer words were: "Time's handling of the Harken story is just one more example of the disturbing trend toward pre-emptive journalism. The consequences of this practice are serious indeed, for it has the potential to not only diffuse and obscure information, but to prevent it from ever being debated in the public arena at all. Unlike the alternative press, mainstream sources are widely available and well indexed. For that reason, they are widely cited and help shape official history. Twenty years from now when George W. Bush is running for president, researchers and journalists interested in his business activities in Texas will likely turn to Time magazine and other mainstream sources of their information. But if they're interested in reading the whole story, they'll have to look elsewhere." As it seems likely to turn out, Armstrong was only wrong about when GWB would run for president. He may also have been one of the earliest writers to predict the eventual GWB presidential campaign.

A FIRST MEAGRE LOOK AT THE SKULL AND BONES CLASSES OF 1968 AND 1969

The secretive Skull and Bones society now has a stalking horse for president in both the Democratic and the Republic camps (Kerry and Bush). In 1968, Bush became one of 15 new initiates into the Order of Skull and Bones. One perceptive observer wrote: "His resume looks a lot like his father's: DKE and Skull and Bones at Yale, military pilot, Texas oilman." The names and some very sketchy information on Governor Bush's fellow Bonesmen from the Yale class of 1968 are as follows:

Roy Leslie Austin (S&B 1968)--Born 12-13-1939. St. Vicent's Island. Educator. Married Glynis Sutherland. Ph.D. Washington University. Associate Professor of Sociology and Justice.

Robert Richard Birgen (S&B 1968)--Washington D.C. Lawyer. Married Joanne Schwiebert. Director, CASE Center, Syracuse University

Christopher Walworth Brown (S&B 1968)--Born 1-15-1947. Lawyer. Married Amy Forbes Clark. Tweedy, Brownes. New England Coordinator of the Carter presidential campaign and Seattle Co-Chairman for George McGovern,

Kenneth Saul Cohen (S&B 1968)--Born 7-5-1946. Trenton, N.J. Dentist. Married Patricia Ann Albert. Massachusetts Mutual Life Insurance Company. Yale Club of Georgia.

Rex William Cowdry (S&B 1968)--Born 2-12-1947. Des Moines, Iowa. MD. Married Donna E. Patterson. Acting Director of the National Institute of Mental Health.

Donald Etra (S&B 1968)--Lawyer. Yale 1968 (BB Cell). B.A. Yale. J.D. Columbia University. M.B.A. Columbia University. Member of the Bar, New York. Attorney to Ralph Nader Washington (1971-1973). Co-Director of First National City Bank Task Force. Co-Author Citibank (1974). U.S.

Attorney, Dept of Justice (1978-1981). Now practices in Los Angeles. A director of Russell Trust Association (the Bones Holding Company). Dear Island Treasurer (1970-1972). Deer Island President (1972-1975). Single.

G. Gregory Gallico III (S&B 1968)--Born NYC. MD. Married Ellen Biggs Polly Levine. Boston Shriners Plastic Surgeon.

Robert K. Gutherie--(S&B 1968)--Probably CIA. Lived in Alexandria, Virginia (1983). Married Marion Adelheid Melliwigt. Director of Social and Economic Affairs, Council of Europe (a pan-European organisation of 32 countries).

Britton Ward Kolar (S&B 1968)--Born 2-27-1946. Oak Park, Illinois. MD. Married Margaret Louisa McMahan.

Robert Davis McCallum, Jr. (S&B 1968)--Born 1-30-1946. Memphis, Tenn. Lawyer. Married Mary Rankin Weems.

Muhammad Ahmed Saleh (S&B 1968)--Born 10-10-1945 in Jerusalem. Vice-president of Timex Corporation. Married Mary Soderstrom.

Thomas Carr Schmidt (S&B 1968)--Born 6-3-1945. Cinn., Ohio. Consultant. Married Deborah Caroline Beaumont.

Donald Arthur Schollander (S&B 1968)--Born 4-30-1946. Charlotte, N.C. Real Estate Developer. Married Penny Susan Stark. Financier. President of North Shores Development Corp. (real estate). Member of board of directors of U.S. Olympic Committee (1970-1972).

Brinkley Stimpson Thorne (S&B 1968)--Born 8-13-1945. New York City. Architect. Married Marie Cox. Partner, Metcalf and Thorne Architecture, owner and manager of Thorne Market (a specialty retail mall and art center).

Before leaving Yale, Bush and his classmates tapped 15 more Bones members:

Robert E. Arres, Jr. (S&B 1969)--Born 2-22-1947. Industrialist. Married Karen Ann Koehler.

Michael Frederic Bouscaren (S&B 1969)--Born 4-7-1947. San Francisco, California. Stockbroker. Married Edith Clark.

Charles Henry Buck III, S&B 1969)--Born 3-7-1946. Boston, Massachusetts. Businessman. Married Cheryl Lynn Ezell.

Thomas Francis Cosgove, Jr. (S&B 1969)--Born 12-8-1946. Maldon, Massachusetts. Insurance. Married Wendellyn Hilton.

Frank Edward Demares II (S&B 1969)--Born 2-4-1947. Chicago, Illinois.

Brian J. Dowling (S&B 1969)--Born 4-1-1947. Cleveland, Ohio. Sportsman. Married Betsy Lampert.

Henry W. Fuller (S&B 1969)--Born 9-14-1946. York, Maine. Boatyard Operator in Nova Scotia. Married Judith Rivmus.

Richard H.B. Livingston (S&B 1969)--Born 8-19-1947. Greenfield, Massachusetts. Vice-President of Admiral Shipping Company. Married Elizabeth Dubben. Admiral Shipping and Trading Co. Ltd. is at P.O. Box 5205, Ormond Beach, Florida 32176. Owns two ships. Admiral One flys a flag of convenience: SVC. General cargo. Built 1965. Active. SV= St. Vincent.

B. Patrick Madden (S&B 1969)--Born 5-7-1947. Stubenville, Ohio. Banker. Married Deborah Russell Whitlock. Bush appointed William B. Madden as Chairman of the Texas Water Development Board on February 8, 1995. Madden has been President of Madden Securities Corporation of Dallas since 1986. He has served as Vice-Chairman of the National Association of Securities Dealers. He is also Chairman of the Board of Mercantile Bank and Trust. A director of Pillow-tex Corp. Also a director of E.W. Blanch Holding (since April 1993).

Wentworth Earl Miller (S&B 1969)--Born 10-23-1947. Overlin, Ohio. Lawyer. Married Joy Marie Palm.

John Joseph O'Leary (S&B 1969)--Born 1-16-1947. Philadelphia, Penn. Lawyer. Married Patricia Cepeda.

Stephen Allen Schwarzman (S&B 1969)--Born 2-14-1947. Philadelphia, Penn. Managing Director, Lehman Brothers. Married Ellen Philips. Co-founder, President and CEO of Blackstone Group. David Stockman was a General Partner of the Blackstone Group in 1991. Stephen Allen Schwartzman (S&B 1969), a managing director of Lehman Brothers, married Ellen Philips. He is currently the President and CEO of the Blackstone Group which began in 1987. It became a subsidiary of AccuStaff, Inc. in October 1996. The Chairman and co-founder of the Blackstone Group is Peter G. Peterson. He appeared on Moneyline on January 6, 1998. Peter G. Peterson, a Class "C" director of the New York Federal Reserve Bank, has been chairman of The Blackstone Group since 1985, following 11 years as chairman and chief executive officer of the investment banking firm of Lehman Brothers, Kuhn, Loeb, Inc. He was Secretary of Commerce in 1972 and 1973 after serving as Assistant to the President for International Economic Affairs and Executive Director of the Council on Economic Policy in 1971 and 1972. He served under former M16 Chief Sir William Wiseman, is a member of the Committee of 300 and has ties to the Aspen Institute. Prior to his government service, Mr. Peterson was with Bell & Howell Company for 13 years, beginning as an executive vice president and director and moving up to the CEO position of the company. He earned a bachelor of science degree from Northwestern University and a master of business administration degree from the University of Chicago. In addition, he has received honorary doctorate degrees from a number of universities. Peterson is a director of Rockefeller Center Properties, Inc.; Sony Corp. and Transtar Inc. He is former chairman of the board of the Council on Foreign Relations and Institute for International Economies, President of The Concord Coalition and a trustee of the Committee for Economic Development, the National Bureau of Economic Research, and New York's Museum of Modern Art. He also is founding member of the Bi-Partisan Budget Appeal.

Duane Arthur Selander (S&B 1969)--Born 12-2-1942. Oakland, Ca. Insurance Business. Married Audrey Marie Zorna.

William McIlwaine Thompson, Jr. (S&B 1969)--Born 2-19-1947. New Haven, Conn. Lawyer. Married Elsie Dunn Wilson.

Douglas Preston Woodlock (S&B 1969)--Born 2-27-1947. Hartford, Conn. Lawyer. U.S. Federal District Judge (Boston) (Appointed 1986). Yale 1969 (Next Cell). Reporter Chicago-Sun Times (1969-1973). Former Assistant U.S. Attorney (1979-1983). Married Patricia Powers.

Possible Gore challenger, John Forbes Kerry (CFR/S&B 1968), will play himself (CNN Inside Politics Dec. 7) on NBC's "Lateline."

MAJOR AGREEMENTS MADE BETWEEN ENVIRONMENTALISTS, U.S. COMPANIES AND EVEN THREE STATES

More than 20 U.S. companies (AP Dec. 8) (including IMB, Nike Inc., Kinko's Inc. and 3M Corp.) have signed a pledge to eventually stop using old-growth wood. The Coastal Rainforest Coalition made the announcement. Only 20% of the world's old-growth forests are left--only 5% in the United States. Many animals, birds and insects are sheltered by the virtually extinct trees. Three states (New York, Vermont and New Hampshire) have joined with environmentalists and investors (Austin American- Statesman Dec. 10) to place 300,000 acres into a $76.2 million public-private conservation project. Still unsolved are mysterious murders of Mexican Gray wolves (NBC News Dec. 10). Environmentalists and the Federal Government have combined to offer a $50,000 reward which may come from turning in ranchers who feel that the wolf repopulation is being pushed down their unwilling throats.

STADIUM IN NEW HAVEN SPOTLIGHTED AS "FLEECING OF AMERICA"

The New England Patriots (NBC News Dec. 10) will get a brand-new stadium that will cost $800 million (including interest) with tax-free bonds. Tom Brokaw (CFR) said it gives a whole new meaning to the term "a very sweet deal." The Patriots will get free rent, 90% of ticket sales, concession and parking revenue and a $15 million practice stadium. A Mr. Kraft will probably clear $100 million from stadium revenue alone. There is also a Connecticut-guarantee of $17.5 million for empty seats that was negotiated in secret by Governor John Rollin who defends the deal. Smith College economist Andrew Simbalist says the evidence of similar deals over the past forty years shows there will be no positive "kick" to the local economy. NBC's Fred Francis ended the piece by saying the deal was "an outrageous fleecing of America."

WALL STREET AND BANKERS SUPPORT IDEA OF PERSONAL ACCOUNTS

The public (Nightly Business Report Dec. 7) is split 50-50 on whether to privatise at least part of Social Security. A poll (Nightly Business Report Dec. 7) showed that 77% think the stock market is the best place to invest at this time. Only 12% said no while 11% had no opinion. Wall Street and the nation's bankers (AP Dec. 7) are backing personal investment accounts as part of any Social Security overhaul. The Securities Industry Association and the American Bankers Association are two such groups. After inflation the stock market returns 7.5% annually on the average (News Hour Dec. 10). The problem is said to be (CBS Dec. 8) that the average person would not know how to invest in the stock market. [In a $3.5 trillion industry, the average stock mutual fund is up 6.26% for the year-to-date compared to a 20% increase in the S&P 500. It is the worst performance gap in recent memory (Moneyline Dec. 10). Ned Riley, Chief Investment officer of BankBoston said that 96% of all equity mutual funds this year will lag the S&P 500]. Fidelity Magellan Fund is up 25%, however. The worst performing funds for the year-to-date: Lexington Troika Dialog Russia (-83%), American Heritage (-55%), Eaton Vance Worldwide (-51%), Fidelity Select Energy Service (-50%) and Potomac OTC/Short (-49%).

President Clinton (NBC News Dec. 8) supports a system that can be counted on "regardless of the ups and downs of the economy or the markets." There are 44,208,600 social security recipients. By the year 2032, the fund will only be able to pay 75% of present benefits. Three options exist: 1) raise taxes, 2) cut benefits or 3) obtain a better return on payroll levies now invested in government bonds. The market historically yields three times the return on Treasury bonds. Plans may involve a government board with guidance from market experts or some form of personal employee accounts. After the closed-door meeting, President Clinton is leaning (Moneyline Dec. 9) towards some form of privatization. His advisor, Gene Sperling, says (NBR Dec. 9) Americans must understand the advantages and disadvantages of such a plan.

MEDIA STOCK AND SHOCK NEWS: NEW TUNES FOR BRONFMAN'S SEAGRAM AND SPINOFF PROFIT FOR CBS

Media stocks on the increase for the year-to-date included (Moneyline Dec. 7) Time Warner (+74%) and Viacom (+58%). CBS is up only 6% while Walt Disney is down 5%. William Bennett and Sen. Joseph Lieberman (AP Dec. 8) gave CBS the second "Silver Sewer" award Monday for its Dr. Kevorkian show and Howard Stern's "raunchy" TV show. The first award went to Seagram Inc. for supporting Jerry Springer's talk show and shock-rocker Marilyn Manson. While Seagram Co.'s stock has been trading lower (CBS Sunday Morning Dec. 6) since Edgar Bronfman, Jr. took over, he has been given $6 million in bonuses over the last two years. His father and uncle own 30% of Seagram. At the November 1997 annual meeting of the Seagram Company Ltd., Edgar Bronfman Jr., described a "Reenergized" Company and planned "to build shareholder value on a long-term basis." Seagram employs 30,000 people worldwide. The Bronfman family (Mother Jones April 1996) is "traditionally Democratic and pro-Israel." Seagram Co. (AP Dec. 11) is now the world's largest music company. It bought Polygram NV and will cut about 3,000 of 15,500 employees. The $10 billion payout (Moneyline Dec. 10) gives Universal Music Group 25% of the world's music business. Steven Cesinger, Managing Director of Greif & Co., said the purchase was a classic hand-in-glove fit that would eliminate "redundancies." Until 1995 Montreal-based Seagram was a liquor and beverage company. In that year Edgar Bronfman, Jr. bought MCA (renamed Universal Studios). Seagram is facing a $65 million loss in this quarter from its movie division. Seagram has had $65 million (Moneyline Dec. 9) in box office flops. Universal is in the red. Bronfman, Jr. said the music merger will provide $300 million (Moneyline Dec. 10) in cost savings as 3,000 (20%) of the workforce are departed.

CBS raised $2.87 billion (AP Dec. 9) by selling off a 17% stake in its radio and outdoor advertising business--Infinity Broadcasting. The IPO of 140 million shares was the third largest ever and richest in the media industry so far. Infinity has 160 radio stations. The IPO ranks behind Conoco Inc.'s $4.5 billion October issue and the Lucent Technologies spinoff for $3 billlion. Last month News Corp did a $2.8 billion spinoff of the Fox Entertainment Group. CBS will soon rank second in radio revenue as Chancellor Media Corp. completes its purchase of Caagsar Broadcasting Corp. Don Imus ("In the Morning") is one of Infinity's radio programs. When it was announced the Mel Karmazin would replace Micheal Jordan as CEO, CBS stock jumped 10% in a single day. CBS paid $3.9 billion for Infinity two years ago. It is (Moneyline Dec. 9) now valued at $17 billion. Mel Karmazin is the #1 CBS stockholder (Moneyline Dec. 9). Linda Killian, of the Renaissance Capital IPO Fund, said Infinity was priced at a premium compared to others in its peer group (NBR Dec. 10). To buy the stock, the investment must be long-term. Infinity owns TDI Worldwide which is one of the biggest billboard advertisers in the U.S. Negative comment on the deal was hard to find on Wall Street since some twenty-three firms underwrote the offering (NBR Dec. 10).

The largest IPOs lately (Moneyline Dec. 10) in billions: Conoco ($4.5), Lucent ($3), Infinity ($2.9), Fox ($2.8) and Allstate ($2.1) (according to Securities Data).

SUMMARY OF SOME WEEKLY INDICATORS

The Dow Jones Industrial Average (DJIA) is up 11.5% for the year (ABC News Dec. 11) but down 194.38 this week (NBC News Dec. 11). The NASDAQ was up 26.15 points (NBC News Dec. 11). Commodities (Wall Street Week PBS Dec. 4) are at an all-time 26-year low. The U.S. economy has been expanding for 93 months in a row. Only one of the Federal Reserve Districts (New York) expanded (Moneyline Dec. 9) in November. Mergers and acquisitions will pick up in 1999. Royal Dutch Shell (Moneyline Dec. 9) may buy Chevron. The U.S. trade deficit is up 8% (Moneyline Dec. 9) or $61.3 billion. TWA is buying 50 planes from Boeing for $1.5 billion (Moneyline Dec. 9). Gerald Gitzer, Chairman of Trans World Airlines, has brought smiles to Boeing workers. The M-2 money supply (NBR Dec. 10) was down $2.5 billion for the week ending November 30. Oil (CBS Sunday Morning Dec. 6) was about $19 a barrel a year ago. It now is selling for $10. Food prices are up 2.5% while hog farmers (ABC News Dec. 11) are having the worst year in five generations. Pork oversupply has been contributed to by

corporate hog farmers that are expected to be able to outlast family farmers. Meat packers are able to dictate prices and retailers are upping their profits. Retail sales were up .6% in November (ABC News Dec. 11). Profits for the S&P 500 were (NBR Dec. 11) 3.1% in the 3rd quarter and 4.5% in the 4th.

EXPLANATION GIVEN FOR DOWN MARKETS LATELY

Joseph McAlinden of Morgan Stanley Dean Witter (Moneyline Dec. 10) said that in every third month of every quarter for the last couple of years, companies have been reporting out bad news early in the second or third week of the last month of the quarter. He termed it corporate "confession." This causes the market to decline, but then, once the bad news is out of the way, it then climbs again. Banks are pursuing monetary policies to reinflate fallen commodity prices to help developing nations that are dependent upon making exports. McAlinden predicted that energy sector stocks would go up by two or three-fold soon.

CENTRAL BANKS CUTTING INTEREST RATES

Gary D. Campbell, Chief Investment Officer for the Commerce Funds, who manages $8 billion, said (Wall Street Week PBS Dec. 4) that since October there have been a total of 50 "monetary easings" around the world. He foresees 7-8% earnings in 1999. His stock picks include T.J. Macks and Ethan Allen.

CONSISTENT CONCENSUS OF NO DECEMBER 22ND RATE CUT BY FED

The street opinion seems clear not to expect a rate cut at the December 22 Federal Reserve Board meeting. David Rosenberg, of Nesbitt Burns Securities, says the Fed may cut the rate to as low as 3.5% in 1999 (Moneyline Dec. 9). The Bank of England (BOE) has cut interest rates by .5% (Moneyline Dec. 10). John Makin, of the American Enterprise Institute, said (NBR Dec. 10) that the last three Fed cuts in the U.S. were aimed at Brazil but hit the S&P 500 which took off like a rocket.

MERGER MANIA NEWS: BONDING OF BUSINESS TITANS

Mergers (McLaughlin Group PBS Dec. 6) are described as "Titans bonding." Some 20 takeovers between January and November 1998 totalled $874 billion (nearly 60% of the $1.5 trillion in mergers). 625,000 layoffs are expected to result. The Exxon Mobil merger required (Wall Street Week PBS Dec. 4) $82 billion in stock and debt assumption. The merger trend, according to Suzzane Pratt (Nightly Business Report Dec. 7), will continue because "many of the pairings are all stock deals." Bruce Steinberg, Economist with Merrill Lynch, who sees lots more mergers (Moneyline Dec. 9), said: "We have deflation." Coke (NBR Dec. 11) is paying $2 billion to buy the beverage brands of Cadbury Schwepp.

CROSS BORDER TAKEOVERS EXPECTED TO INCREASE

Scottish Power (Moneyline Dec. 7), Scotland's largest utility, is doing a cross border takeover of PacifiCorp to become the first overseas company to buy a big U.S. utility that has 7 million customers. The price paid (AP Dec. 7) will be about $7.9 billion in stock and the assumption of $4.9 billion in debt. Barry Abramson, Electric Utility Analyst for Painewebber, said (Nightly Business Report Dec. 7) the deal was a "good fit" The company supplies service to one in five UK households. Ian Robinson is CEO of Scottish Power. Ian Russell is CFO. It will likely be registered as a holding company. Foreign purchases could soon cut the number of American utilities in half if the trend continues. Thomas Burnett, Director of Merger Insight, said: "(I)t's a global world now and cheap assets anywhere in the world are open to bidders from any . . . source."

On September 9, 1997, Scottish Power plc announced it had selected The Bank of New York as its depository for its sponsored American Depository Receipts (ADRs). Each ADR represents four ordinary shares. The Bank of New York, founded in 1784 by Federalist Alexander Hamilton and the nation's oldest bank operating under its original name, is the largest depository for American and Global Depository Receipts which are described as "facilities which allow non-U.S. companies to offer dollar-denominated securities to investors in the United States and Europe."

The trend of cross border takeovers in billions (Nightly Business Report Dec. 7) is reflected in foreign/U.S. Mergers: 4th Quarter 1997 -- $17.3. 1st Quarter 1998 -- $19.7. 2nd Quarter 1998 -- $92.4. 3rd Quarter 1998 -- $76.1

Zeneca Group of London (Moneyline Dec. 9) is paying $35 billion to buy Sweden's Astra to make more drugs. 6,000 jobs will be cut. Sven Broho, Analyst with orbiMed Advisors, said (NBR Dec. 9) cash and scale are now the keys to surviving. The pairing will still be behind Merck and Galaxo as the world's third largest drug company. There is a wave of drug mergers going on in Europe. Wallmart is buying 74 super-stores in Germany (NBR Dec. 9) after buying 21 stores in 1997.

Citigroup may get out of its legal bind by selling off Philbro (Moneyline Dec. 9) -- a commodity trading unit it inherited from the merger between Citibank and Travellers. Philbro is a leading trader of crude oil. The 1956 Holding Company Act forbids banks from owning commodity-trading firms. The Federal Reserve approved the Citigroup "marriage" with the proviso that Citgroup would divest all commodity-related businesses within a two-year period.

AT&T CHAIRMAN WANTS GLOBAL REACH

C. Michael Armstrong (CFR), Chairman and CEO of AT&T and Chairman of the World Trade Corp. says (NBR Dec. 8) the company's joint-venture with British Telecom is "putting together the assets to make AT&T a great global communications company."

BOSTON-BASED UTILITIES ANNOUNCE WEDDING TO BECOME NEW ENGLAND'S BIGGEST

BEC Energy is buying Commonwealth Energy systems (Nightly Business Report Dec. 7) for $950 million. The combination of the two Boston utilities will be the largest in New England.

AETNA PAYS $1 BILLION TO BECOME LARGEST U.S. HMO

On Thursday (AP Dec. 10) Aetna paid $1 billion for Prudential Insurance Co.'s health care business. Richard Leslie Huber (CFR), Vice-Chairamn of Continental Bank Corp., and Chairman and CEO of Aetna, said (NBR Dec. 10) that the combination will result only in a one in ten market share in a very fragmented industry. Prudential is privately-held.

WOOPS, REPUBLICANS DECIDE NOT TO GET INTO CAMPAIGN FINANCE 'THICKET"

In case you missed it, there was an intense Republican effort last week to broaden the impeachment probe to include 1996 campaign finance violations. A judge allowed the Republican investigators to view DOJ memos that supposedly alleged criminal wrongdoing by the President. Then suddenly the "thicket" matter was dropped. There now will also be no special counsel appointed to investigate the 1996 campaign contributions. Attorney General Reno found no evidence (NBC News Dec. 7) of the required criminal intent.

6-0 VOTE BY FEC SAYS NO REPAYMENT FOR 1996 CAMPAIGN ADS

The Federal Elections Commission, says Brooks Jackson of CNN (McLaughlin Group PBS Dec. 6), is a reluctantly created, toothless, weak commission with three Democrats and three

Republicans that needs four votes to act. On Thursday the FEC (Reuters Dec. 11) decided not to accept the audit report that would have forced repayment for ads subsidised by taxpayer funds. The vote was 6-0 against the FEC's own staff.

REPUBLICAN-DEMOCRAT LINE-UP FOR POSSIBLE IMPEACHMENT

On the Judiciary Committee (McLaughlin Group PBS Dec. 6) 21 members are Republicans and 16 Democrats. There are presently 228 Republicans in the House and 206 Democrats. Of the 435 total, 1 is independent. If the House votes to send the impeachment question to the Senate, it will require 67 votes (NBC News Dec. 7) to impeach the president. There are 55 Republicans and 45 Democrats in the U.S. Senate. A Wall Street Journal poll (NBC News Dec. 9) showed 68% opposed to impeachment with 61% saying the House should not send articles to the U.S. Senate. 52% favor censure if Clinton will admit lying under oath. Frank Sesno (CFR) reacted (CNN News Dec. 11) to news that the House Judiciary Committee had passed out articles of impeachment: "Washington is a harsh town . . ." Moderate Republicans wanted Clinton to say he had lied. Rep. Teven Rothman (D-NJ) called impeachment "the nuclear bomb of punishments." The consensus is that the Senate will not convict. Paul Gigot (BB) said that moderate Republicans (News Hour PBS Dec. 11) were "incommunicado."

PARIS CLUB GAVE THREE-YEAR DEBT REPRIVE TO NICARAGUA AND HONDURAS

On Thursday (Dec. 11) the Paris Club extended the time for debt repayments by Nicaragua and Honduras for three years as the World Bank announced new loans totalling $1 billion to Hurricane Mitch-hit Central American countries. Stuart Eizenstat, U.S. Under Secretary of State, said that the U.S. would forgive 67% of the debt owed by Honduras if it agrees to an IMF reform program. He also said that 90% of the debt of Nicaragua will be forgiven by the United States. James Wolfensohn (BB/CFR), World Bank President, announced the $1 billion in new loans.

NEW YORK POST OWNER HIRSCHFELD RESURFACES IN HANDCUFFS

New York real estate millionaire, Abe Hirschfeld, was led away in handcuffs after being accused of hiring a contract killing of a former business partner (Moneyline Dec. 10). The man who wanted to make Monica Lewinsky go away, with a $1 million check, is currently under indictment for state tax fraud and is being sued by comedian Jackie Mason for failing to show up on the stage for an agreed New York club appearance. Five years ago Hirschfeld bought the Alexander Hamilton-founded (1801) New York Post. He is accused of making a $75,000 down-payment on a hit.

FORMER COUP ATTEMPTER ELECTED PRESIDENT OF VENEZUELA

Hugo Chavez, whose campaign rattled investors (Reuters Dec. 7), won a landslide election in Venezuela against his Yale educated businessman opponent, Henrque Salas Romer, and promised "a people's government." In February of 1992 he attempted a coup that failed but made him a popular figure. Chavez said he would not (Austin American-Statesman Dec. 7) impose exchange controls and stated: "You the investor, if you have capital abroad, bring it here." Foreign oil companies, such as Exxon, Mobil, Shell and British Petroleum, have put their investment plans on hold. Venezuela is the No. 1 exporter of oil to the United States.

EXPOSED UGANDAN BANKING SLIGHT OF HAND RESULTS IN PRESIDENT'S BROTHER'S RESIGNATION

The brother of the President of Uganda resigned as a presidential security advisor (AP Dec. 7) over a controversial sale of a former state bank. Maj. General Salim Saleh bought a majority interest in a Malaysian firm, Westmont Berhad, which had earlier bought a 51% stake in the Uganda Commercial Bank. The Chairman of Uganda Commercial Bank is Mr. E. Suruma and

the General Manager is Mr. AMO Oder (Alfred). Saleh said he won't be the first to go to jail and explained that he felt no remorse for trying to buy the bank in secret because he felt it should belong to Ugandans. He has written a book entitled: "What is Corruption?"

BIRTHDAY PARTY GIVEN IN PARIS FOR HUMAN RIGHTS DECLARATION

Monday (Reuters Dec. 7) a week-long Paris birthday party was given to the UN's Universal Declaration of Human Rights. It was adopted on December 10, 1948. In the General Assembly (AP Dec. 11) countries such as China, Algeria and Chile defended their human rights records. UN Secretary General Kofi Annan said: "Today we honor the highest of human aspirations and renew our promise to conquer the worst of human cruelty." Annan gave one of five human rights awards to former President Jimmy Carter (CFR/TC). Mary Robinson, the top UN human rights official, said that the world's record of gross human rights abuses "does not give ground for encouragement." Singers celebrating the declaration included Phil Collins and Peter Gabriel (ABC News Dec. 11).

U.S. SENATOR SUGGESTS WARMING OF RELATIONSHIP WITH CUBA

Sen. Christopher Dodd (CFR) (D-Conn.) wants to (Reuters Dec. 7) establish a "new conversation for the new millennium" between Cuba and the U.S. Dodd, fresh from a visit with Castro, wants food and medicine to be sold to Cuba, a lifting of travel restrictions and increased contacts between U.S. and Cuban officials and diplomats. He also proposed joint action against drugs and in favor of the environment. He is expected to meet with Fidel Castro again soon. Dodd is a Catholic Attorney who served in the Peace Corps.

EUROPEAN UNION CALLS FOR INTERNATIONAL COURT TRIAL FOR KURDISH REBEL LEADER

The EU on Monday (AP Dec. 7) said that an international court should try Abdullah Ocalan, the Kurdish rebel leader, who remains under arrest in Rome despite requests for his extradition by Turkey. At present no international court possesses such a mandate. Under a 1972 treaty protocol the 40-nation Council of Europe can transfer trials from one nation to another. The 14-year war for Kurdish autonomy resulted in the deaths of about 37,000. Oscalan faces both murder and terror charges in Turkey.

NATO AND EU MAY PLAY A NEW MILITARY ROLE SOON

The Clinton administration (Austin American-Statesman Dec. 7) wants a new initiative to combat weapons of mass destruction. A new NATO Center for Weapons of Mass Destruction has been proposed. Sunday (Reuters Dec. 7) Secretary of State Madeline Albright (CFR/TC) called for an expanded NATO that was "bigger and more flexible . . ." Earlier the U.S. has suggested the globalisation of NATO. Next April, NATO will hold a 50th anniversary summit in Washington. Albright (AP Dec. 7) also met with Israeli Prime Minister Ariel Sharon in preparation for Clinton's coming trip. Sharon doesn't want Clinton (CNN Inside Politics Dec. 7) landing at the Gaza Arab airport (but he will).

The European Union is making moves (AP Dec. 7) to reduce its dependence on the United States for military support. British Foreign Secretary Robin Cook told reporters: "There may be an occasion when we will want to take part in a peacekeeping operation or a crisis-management operation where the Americans don't." Washington has been said to be in favor of a reduced defense burden.

YELTSIN REPLACES THE HEAD OF HIS ADMINISTRATION AND DEPUTIES

Yeltsin (Reuters Dec. 7) put in three hours of work before returning to the hospital. He fired the head of his administration, Valentin Yumashev. The head of the secretive government communications agency (FAPSI) and three deputies were also removed. Nikolai Bordyuzha, the Secretary of Yeltsin's Security Council, was named to replace Yamashev. He now will serve as both security boss and Kremlin chief of staff. He stated: "The battle against corruption is very important, particularly in the top echelons of power."

The Federal Agency for Government Communications and Information (FAPSI) was established by presidential decree on February 19, 1993. It was headed on its creation by Col. General Aleksandr Vladimirovich Starovoytov, formerly deputy chief of the USSSR KGB's Government Communications Directorate. At least a half dozen FAPSI officials have left due to financial scandals.

Yumashev (AP Dec. 8) ghostwrote Yeltsin's memiors. The dismissed aids (AP Dec. 8) included some who had recently commented on Yeltsin's weakened health. Communist Party leader, Gennady Zyuganov, said the actions made no real difference: "He's not governing anything any longer. This is simply an agony." A cartoon in the *Moskovsky Komsomolets* (Reuters Dec. 8) showed a squinting Yeltsin in bandages and pyjamas, riding a bewildered horse in front of a Kremlin fortress in flames, lopping off heads right and left with a sword. Yeltsin (AP Dec. 11) met with his new aides for several hours and signed a decree awarding a medal to writer Alexander Solzhenitsyn. Next week he is expected to meet with visiting Swiss and Belorussian presidents. Solzhenitsyn, who turned 80 on Friday (AP Dec. 10), wrote in 1996: "The (Russian) system of central power . . . is just as uncontrollable, lacking any public responsibility and immune from punishment as the communist power was." In a rare speech, last year, he stated: "We are doing everything to destroy Russia. We have no market, no democracy -- a wild predatory capitalism is being built here." He was exiled in 1974 after writing too much about Soviet forced-labor camps.

RUSSIAN MONEY SHORTAGE RELATED TO LOW OIL PRICES

More loan talks will be made this week in Russia (AP Dec. 7) as the World Bank's experts arrived in Moscow. Half (Moneyline Dec. 7) of Russia's exports are oil-related. Crude oil production dropped 1% (January to October) to 244.4 million metric tons. Last month (AP Dec. 8) Russian hard currency reserves fell 8% (from $13.6 billion to $12.5 billion). The reserves are down nearly 30% since the first of the year. Overall government revenues for the year were only 59% of largest levels ($10.8 billion). Anti-dumping measures of the EU cost Russia $300 million annually. Weapons makers (AP Dec. 7) will require more than $1.25 billion from Russia on January 1. $4.5 billion in 1999 defense spending is viewed as inadequate. The EU will provide $460 million to Russia in food aid (AP Dec. 7) but will insist it reaches the needy rather than profiteers. Talks between Russian and its creditors (NBR Dec. 10) are in trouble.

NETANYAHU CHALLENGES HIS CRITICS TO TOPPLE HIM

After failing (Reuters Dec. 7) to bring former Foreign Minister David Levy back into his government, Israel Prime Minister Netanyahu stated: "If someone wants to threaten or topple me, let him try." Netanyahu was elected in May of 1996 on a platform to pursue peace with security. Levy is a self-styled champion of the working class. He sought the position of Minister of Finance. A two week parliamentary delay (Reuters Dec. 8) gave Netanyehu more time.

CLINTON TO VISIT IN GAZA TO FURTHER THE PEACE PROCESS

Clinton arrived in Gaza on Saturday. Its 1 million population (McLaughlin Group PBS Dec. 6) is mostly Arab with some 5,000 Jewish settlers. The Palestine Covenant must be purged of offensive language such as "Elimination of Zionism" and "Geographical Base for World

Imperialism." David Ensor, CNN correspondent at the State Department, said that Clinton (CNN Inside Politics Dec. 7) wants the Palestinians to publicly vote to delete all references in their charter to the end of Israel. Geoffrey Kemp (CFR), of the Nixon Center, and according to Gaylon Ross, Director of the Carnegie Endowment, Arms Control Project, stated (CNN Inside Politics Dec. 7): "(I)ts a hornet's next . . . the fall out from the Wye accords is far from tranquil." On Clinton, he stated: "He's clearly going to irritate the Israelis no matter how he gets to Gaza." Walter Rodgers, CNN Bureau Chief in Jerusalem, interviewed Netanyahu (CNN Inside Politics Dec. 7). Netanyehu said that Arafat plans to take half of Jerusalem for his capital and: "Anytime the President of the United States wants to visit Israel, that's the right time." 3,000 Palestinians (News Hour PBS Dec. 7) protested in the city of Nablus. Julian Manyon of ITN, wearing a military helmet, provided footage of Netanyahu stating: "The Palestinians have brazenly violated every single item of the Wye accords." [The actual text of the Wye accords has never been quoted once in all the debates].

Dr. Mahmoud Zahar, a senior Hamas political leader (AP Dec. 8), said of Clinton's visit: "Of course we don't welcome him . . . He brings nothing for us, or for any Palestinians . . . He is a 100 percent supporter of Israel." Hamas is expecting the new round of arrests that Arafat promised to make under the Wye accord. After the October 29th suicide bombing, Arafat's police rounded up hundreds of Hamas activists -- many of whom remain in jail. The Palestinian police have also begun a CIA-assisted confiscation of illegal Arab weapons. Another mass roundup of Hamas activists was expected in the days leading up to Clinton's arrival. On Monday (December 14), Clinton will have a summit with Netanyahu and Arafat after he addresses the large gathering of Palestinian leaders (Reuters Dec. 8).

Israel is insisting (AP Dec. 11) that a vote in the full Palestine National Council (PNC) must precede further territory turnovers. Thursday the 124-member Palestinian Central Council voted to revoke the offending clauses as set forth in an Arafat letter. The Wye accord said that delegates should "reaffirm" Arafat's letter to Clinton. On December 10th, Arafat told senior Palestinian officials that he might not live to see the peace process through. He said to visiting members of the Washington Institute of Near East Policy (AP Dec. 10): "I don't know if I'll live one year or two years." He has never designated a successor despite the danger he faces in fulfilling his round-up of at least 30 alleged terrorists under the seldom-mentioned criminal arrest promise contained in the Wye accord.

Samuel R. "Sandy" Berger (CFR) said that Clinton is making the trip to the Middle East (AP Dec. 11) without any second thoughts. Three batteries of Patriot missiles are being shifted from Europe (Germany) to Israel. Live fire exercises will be made (AP Dec. 10) involving helicopter units. The U.S. has (Reuters Dec. 11) "several thousand" Marines exercising with Israeli defense forces. The extra missiles will participate with American helicopters in a "Mobile Shirley" exercise. The exercise (AP Dec. 11) is also called "Noble Shirley." A second aircraft carrier will soon (NBC News Dec. 9) arrive in the Gulf. Some 15,000 Israeli troops are patrolling the streets of Jerusalem in an unprecedented state of alert (NBC News Dec. 11). Madeline Albright (CFR/TC) stated that the use of military force "is a means, not an end." U.S. Senator John Ashcroft said that aid to Arafat was imprudent "given Mr. Arafat's continued incitement of terrorist violence and his refusal to hand over terrorists involved in the murder of Israelis and U.S. citizens." Speaker-to-be Livingston (AP Dec. 10) told the National Jewish Coalition, a Republican group, that the GOP "will not waiver" from "a total and absolute dedication to the security of Israel."

Clinton and Arafat (AP Dec. 11) will tour the Church of Nativity with Arafat on Tuesday. Clinton will take of tour (ABC News Dec. 11) of Masada.

BILLIONS MORE NEEDED FOR EDUCATION IN UNDER-DEVELOPED WORLD

UNICEF (AP Dec. 8) said that 40% of elementary school-age children in developing countries never enter school or drop out before getting a basic education. Almost one billion people (a 6th of the world's population) will enter the 21th century unable to read a book or sign their names -- two-thirds of them will be women. UNICEF found a direct correlation between years spent in school and death rates of infants and mothers in childbirth. An additional $7 billion per year will be needed over the next 10 years -- an amount less than the U.S. spends annually on cosmetics.

THIRTY-TWO STUDENTS WIN RHODES SCHOLARSHIPS IN U.S.

Since 1903, a total of 2, 854 American students (AP Dec. 7) have been awarded Rhodes scholarships. This year 32 more Rhodes scholars were picked from 909 applicants from 310 colleges. Elliot Gerson is the American secretary of the Rhodes Scholarship Trust. Democratic presidential candidate Bill Bradley (RS) is among the candidates who are seeking to replace William Clinton (BB/CFR/RS/TC). One of the greatest regrets of Soviet Agent Alger Hiss was that he failed to make it as a Rhodes scholar. There is now an Association of American Rhodes Scholar's Bulletin Board that will soon be closed to the public.

LAW LORD WHO VOTED AGAINST PINOCHET TIED TO AMNESTY INTERNATIONAL

One of the three "Law Lords" who voted that Augusto Pinochet (AP Dec. 8), Lord Justice Leonard Hoffman, is a director of a charity run by Amnesty International. Hoffman, a South African opponent of apartheid, settled in England in the 1960s. Since 1990 he has served as an unpaid director and chairman of Amnesty International Charity Ltd. His wife is a secretary in Amnesty International's press office in London. Amnesty International lawyers were allowed to make representations to the five Pinochet judges -- an unusual move.

SOROS COMMENTS CAUSE ADVERSE REACTION IN MALAYSIA

George Soros (BB/CFR) was criticised (AP Dec. 7) by a Malaysian senior opposition leader for suggesting that Prime Minister Mahathir Mohamad resign. Soros said last week that his policies had curtailed access to the economy for foreign investors and currency traders. Soros told a Johns Hopkins audience in Washington: "I think what needs to happen is he needs to be removed from power." Soros was blamed for the collapse of Malaysia's currency last year. Mahathir bin Mohamad (Lawrence B. Lindsy, National Review Nov. 9) instituted "the financial equivalent of a siege economy with severe restrictions on currency movements." In November, Vice-President Gore (CFR/M) made a speech in favor of Mahathir's political foes. An aid to Mahathir was quoted: "I'm very disappointed that an MP from an Islamic party does not believe in a Muslim prime minister and is more inclined to believe in Soros, a Jew whom we know is always looking for means to destroy us." Soros is accused of abruptly selling his holdings of the national currency -- the ringgit. Soros told a London audience (Moneyline Dec. 7) that there is a worldwide bear market. One third of the world is in a depression and there is an oversupply of almost all commodities. He said producers were having to sell at low prices to obtain the cash to pay their debts.

CHINA TO OWN 70% OF MONGOLIAN OIL REFINERY PLANT

China and Mongolia (AP Dec. 11) have entered into a $39.7 million refinery agreement which will build a new facility in southeastern Mongolia. China's Huafu Oil Co. will own 70% of the refinery. China's sale of $1 billion in 10-year bonds (Moneyline Dec. 9) was a big success in the U.S. The interest is three points over T-Bills. A year ago China had to buy most of an earlier bond offering.

WOOLSEY SAYS EXPERTS ON MISSILES WERE IGNORED BY COMMERCE

Former National Security Council member and CIA Director, James Woolsey (CFR), expressed concern (Moneyline Dec. 10) about how U.S. defense officials who are knowledgeable on missile technologies were left out of the loop when the Commerce Department allowed Hughes Electronics to share information with China recently. On July 29 Steven Dorfman, Vice-Chairman of Hughes Electronics, said there was no evidence that any Hughes employee had transferred any missile technology. But four separate DOJ probes are underway. Congress has now shifted satellite launching from Commerce to the State Department.

60 MINUTES WILL ISSUE APOLOGY ON HEROIN DRUG SMUGGLING STORY

Donald Hewitt, Executive Producer of CBS's "60 Minutes," will issue an apology (AP Dec. 11) today for its June 1, 1997 report that claimed Colombia's Cali drug cartel had opened a new heroin smuggling route to London. The producers of the British documentary, on which the CBS report was based, used faked locations and paid actors to portray drug couriers. The apology follows CNN's recent retraction of a nerve gas story on the Vietnam War and a bogus series by the *Cincinnati Enquirer* on Chiquita Brands International Inc. Hewitt proposed Thursday at the Freedom Forum that networks cooperate on a video wire service and stated: "If the same wire service reporter showed up on (Dan) Rather (CFR) , (Tom) Brokaw (CFR) and (Peter) Jennings (BB/CFR), who'd know?" Tom Brokaw said it was "a dramatic documentary that was a bold fake" (NBC News Dec. 11). The deceptive program, he added, won eight international awards.

SAM DONALDSON AND 20/20 LOOK INTO POLICE KILLING

On 20/20 (Dec. 11) Diane Sawyer (CFR) and Sam Donaldson took viewers through the results of a 4-month investigation, narrated by Donaldson, on Mumia Abu-Jamal. He is a jury-convicted police murderer who has attracted a growing following -- including anti-death penalty actor Ed Asner and Woody Harrelson. Venice, Italy has awarded him the key to the city. Mayor Willie Brown of San Francisco has issued a pro-Jamal proclamation. His hospital confession ("I shot the M -- fer. I hope he dies.") surfaced two months after the alleged statement was made. Jamal's only statement so far: "I am absolutely innocent . . ." He has stated: "Revolution is my religion." The consensus seemed to be that he may want a new trial but he was guilty as charged and convicted.

CANADIANS VISIT TEXAS TO GIVE VIEWS AGAINST DEATH PENALTY

Wednesday five Canadian death-penalty opponents (Austin American-Statesman Dec. 10) got seven minutes before Victor Rodriquez, head of the 18-member board that oversees the Texas clemency system, called state troopers in to eject them. Governor Bush commented: "We're a death penalty state. We believe in swift and sure punishment."

REPUBLICAN DEFENSE SECRETARIES URGE NO PARDON FOR POLLARD

Seven former Republican defense secretaries, by a letter, have urged Clinton (AP Dec. 11) not to release convicted spy Jonathan Pollard "notwithstanding our strong support for Israel." The magnificent elite seven were: Donald H. Rumsfield (BB) [Trustee of Freedom House and RAND; Board Member, National Park Foundation; Member of Steering Committee, Balkan Institute and Chairman of Cilead Science, Inc.], Frank C. Carlucci III (CFR/TC) [Chairman of Carlyle Group; Adjunct Fellow, Hudson Institute; Director, Atlantic Council of the United States; Former Deputy Director of CIA; Trustee, RAND and Member of Steering Committee, Balkan Institute], Richard "Dick" B. Cheney (CFR) [Emeritus Member of Aspen Strategy Group; Director, Union Pacific; Haliburton Co., and Member, Bretton Woods Committee], Melvin Robert Laird (TC), Elliot Lee Richardson (CFR/TC) [Co-Chair, National Council, UNA-USA; Policy Review Board Member, Public Agenda; Milbank, Tweed, Hadley & McCloy; Honorary Director, Atlantic Council of the United States; Felix Frankfurter law clerk; President, Boston's World Affairs Council;

Harvard Overseer and Secretary of HEW], James Rodney Schlesinger (CFR) [Lucius Trust; CIA Director; Secretary of Energy; Chairman Atomic Energy Commission; OMB; RAND staff; Director, Nixon Center and Director Atlantic Council of the United States] and Caspar Willard Weinberger (CFR/TC) [General Counsel, Bechtel; Pardoned by Bush in December 1992]. Among the some 800 documents turned over to Israel by Pollard was the 10-volume manual (CBS News Dec. 8) of the National Security Agency. Israel has never fully admitted to his actions.

ALSO IN THE NEWS

At the annual Paine Webber media conference on Thursday (AP Dec. 10), four major newspaper publishers (Knight Ridder, The New York Times, Tribune Co. and A.H. Belo Corp.) all projected double-digit percentage profit gains in 1999.

Henry Kissinger (BB/CFR/TC) (Dateline NBC Dec. 11) said Nixon spent all of his life wanting to be President but the tapes proved he knew about the cover-up. So he told him he had to resign despite his "heroic" foreign policy decisions.

The Brazilian Senate Thursday (AP Dec. 10) ratified the $41.5 billion IMF aid package. Brazil's reserves dipped from $70 billion before the August Russian default to about $40 billion.

Former Federal Reserve Board Governor, Lawrence Lindsey, said (NBR Dec. 10) that policymakers around the world fear letting the business cycle come to its usual end because it would be "unthinkable."

Next year Speaker Livingston (Reuters Dec. 10) will keep representatives an extra day in Washington by scheduling floor votes on Fridays. No votes will be scheduled on Mondays.

Thirty-five percent of U.S. employers (ABC News Dec. 8) now check their employees e-mail or use hidden cameras. In the courts sued employers win.

Mark Cuban, of Dallas, Texas, is President and Co-Founder of Audionet. He was interviewed as President of Broacast.com (NBR Dec. 9). He founded MicroSolutions in 1983. It was sold to Compuserve in 1990. He then became president of Radical Computing -- a venture capital and investment company specialising in high technology.

British Home Secretary Jack Straw (NBC News Dec. 9) has ruled that Pinochet can be extradited. The decision came on the eve of the Universal Declaration of Human Rights.

J.P. Morgan (Moneyline Dec. 9) is doing a $750 million stock buy-back.

Robert Carswell (Shearman & Sterling, New York, is a private lawyer on the board of directors of Georgia-Pacific Corp.

The U.S. Supreme unanimously (CBS Dec. 8) ruled that police cannot make a full-scale search of an automobile when the driver is stopped for a routine traffic violation -- in the absence of a reasonable suspicion. An anti-loitering ordinance in Chicago (NBR Dec. 8) used against gangs is being considered on the current docket. It allowed police to tell suspected gang members (ABC News Dec. 9) "move along."

Lots of fake diplomas have been sold and then used (ABC 20/20 Dec. 11) to get higher pay but agencies don't seem to want to pursue allegations.

Lincoln is now outselling Cadillac (Moneyline Dec. 9).

Amoco stockholders and the European regulators (NBR Dec. 10) have both approved the BP takeover. Only U.S. regulators can now stop it.

Brazil and Nicaragua (NBR Dec. 10) are suing U.S. cigarette makers. Brazil wants $33 billion. Philip Morris says the cases have no merit.

The computer mouse, created in 1968, may soon be replaced by eye-scanning units (NBR Dec. 9).

Michael Roth, Chairman and CEO of Mutual Life Insurance in New York (NBR Dec. 8) is not afraid of banks selling insurance. His 155-year-old company is now owned by shareholders.

Clinton (CBS Sunday Morning Dec. 6) said that Al Gore, Sr. was "truly a role model for people like me . . ."

Some 1200 pages of the FBI's Frank Sinatra files have been released (NBC News Dec. 8). There was no substantial evidence of ties to the mob.

The anti-money laundering "Know Your Customer" rules by the FDIC have been blasted (AP Dec. 11) as an assault on the privacy of bank customers. The heavy protest mail has been partly blamed by regulators on "anti-government" groups.

U.S. life expectancy averages 76.5 years while infant mortality (NBC News Dec. 7) is 7.2 deaths for each 1,000 births. Typical health insurance costs per U.S. employee (Nightly Business Report Dec. 7) are between $4,300 and $4,400.

Abortions are at a 20-year low (ABC News Dec. 11).

Jesse "The Body" Ventura (Reuters Dec. 8) will release an eagle into the wild, have a potluck lunch with farmers and lead a crowd in callisthenics for his inauguration as governor of Minnesota.

Russia is going ahead with its 1995 $800 million deal to build a nuclear reactor in Iran but (Austin American-Statesman Dec. 10) won't hand over nuclear weapons technology.

QUOTES

"They could do something nuts." -- Former CIA Director R. James Woolsey (CFR) (commenting on North Koreans)

"(B)y using ancient times as a mirror you may learn to foresee the rise and fall of empires." -- Emperor T'ai Tsung (627-- 650 A.D.)

"Debt is the fatal disease of Republics, the first thing and the mightiest to undermine governments and corrupt the people." -- Wendell Phillips

"A general dissolution of principles and manners will more surely overthrow the liberties of America than the whole force of the common enemy. While the people are virtuous they cannot be subdued; but when they lose their virtue they will be ready to surrender their liberties to the first external or internal invader . . . If virtue and knowledge are diffused among the people, they will never be enslaved. This will be their great security. Neither the wisest constitution nor the wisest laws will secure the liberty and happiness of a people whose manners are universally corrupt . . . . The sum of all is, if we would most truly enjoy this gift of heaven, let us become a virtuous people."-- Samuel Adams

"Can the liberties of a nation be thought secure when we have removed their only firm basis, a conviction in the minds of people that these liberties are the gift of God? That they are not to

be violated but with his wrath? I tremble for my Country when I reflect that God is just: that his justice cannot sleep forever." -- Thomas Jefferson
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